

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

**IN RE: NATIONAL PRESCRIPTION
OPIATE LITIGATION**

THIS DOCUMENT RELATES TO:

ALL CASES

MDL No. 2804

CASE NO.: 1:17-MD-2804

JUDGE DAN AARON POLSTER

**NOTICE OF AUTOMATIC STAY OF PROCEEDING AND OF BANKRUPTCY COURT
ORDER ENJOINING THE COMMENCEMENT OR CONTINUATION OF
PROCEEDINGS**

On September 16, 2019, Purdue Pharma L.P., Purdue Pharma Inc., and The Purdue Frederick Company filed a Notice of Suggestion of Bankruptcy and Automatic Stay of Proceedings. *See* Doc. No. 2609. This Notice advised that, on September 15, 2019 (the “Petition Date”), Purdue Pharma L.P. and its affiliated debtors, which includes Rhodes Pharmaceuticals L.P. and Rhodes Technologies (collectively, the “Purdue Debtors”), filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. Copies of the petitions filed by Rhodes Pharmaceuticals L.P. and Rhodes Technologies are attached hereto as **Exhibit A**.

This Notice further advised that, among other things, certain actions against the Purdue Debtors, including the commencement or continuation of any litigation that could have been or was commenced before the Petition Date, are stayed as of the Petition Date pursuant to Bankruptcy Code section 362(a). Any action taken against the Purdue Debtors without obtaining the necessary relief from the automatic stay from the Bankruptcy Court is void *ab initio* and may be subject to findings of contempt and the assessment of penalties and fines.

Thereafter, on October 11, 2019, U.S. Bankruptcy Court Judge Robert D. Drain issued an Order pursuant to 11 U.S.C. § 105(a), granting, in part, the Purdue Debtors' Motion for Preliminary Injunction, which was subsequently amended on October 18, 2019 (the "Amended Order"). A copy of the Amended Order is attached hereto as Exhibit B. The Amended Order states, in relevant part:

Governmental Defendants and the Private Defendants are prohibited and enjoined from . . . the commencement or continuation of their active judicial, administrative, or other actions or proceedings against the Debtors and/or Related Parties that were or could have been commenced before the commencement of [this bankruptcy] case . . . against the Debtors and/or the Related Parties arising from or in any way relating to the Debtors' prescription opioid business, including the actions reflected in the attached Exhibit A and Exhibit B, as well as . . . any other actions against the Debtors or Related Parties alleging substantially similar facts or causes of action . . . through and including Wednesday, November 6, 2019. . . .

Amended Order at 4-5. The Amended Order encompasses actions in this MDL proceeding. The "Related Parties" include the following parties named as Defendants in cases coordinated before this Court: Rhodes Pharmaceuticals Inc. and Rhodes Technologies Inc.

Accordingly, pursuant to the Amended Order, activities in these current proceedings against the Purdue Debtors (Rhodes Pharmaceuticals L.P. and Rhodes Technologies) and "Related Parties" (Rhodes Pharmaceuticals Inc. and Rhodes Technologies Inc.) are stayed and/or enjoined through November 6, 2019. *Id.* at 4-5. The injunction period may be extended by further order of the bankruptcy court, which also retains jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of the Amended Order. *Id.* at 5-6. Importantly, the Amended Order provides that "nothing in this Order shall affect or abrogate the automatic stay as to the [Purdue] Debtors under section 362 of the Bankruptcy Code." *Id.* at 6.

Date: October 28, 2019

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that on October 28, 2019, the foregoing was electronically filed using the Court's CM/ECF system and will be served via the Court's CM/ECF filing system on all attorneys of record.

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